

# Appendix L

July 9, 1962, Memorandum from Hugh J. Wade, Alaska Secretary of State,  
to Governor William A. Egan Regarding Bristol Bay Borough

## MEMORANDUM

## State of Alaska

TO: ☐ Governor William A. Egan

DATE : July 9, 1962

FROM: Hugh J. Wade, Secretary of State      SUBJECT: Incorporation of Bristol Bay  
borough

This is a matter which I had intended to call to your attention before I left on my trip with the Task Force. The attached notice, copy of which may have been made available to you, reached me while I was away. I have been following the proceedings in connection with the hearings on this proposed borough and have discussed from time to time the proposed action with the Local Affairs Agency. The proposed borough just doesn't make sense to me. In fact, its defects were so obvious to me that I felt that the Boundary Commission would never approve it. I was mistaken, and apparently after hearings in Dillingham, Naknek, and King Salmon the Boundary Commission followed the recommendation of the Local Affairs Agency and reduced the area of the borough even smaller than it was originally proposed, and now we are confronted with holding an election in the area embraced within the proposed boundaries for this borough and undoubtedly it will be favorably voted upon.

My objection to the proposed borough, of course, is that it takes the principal tax resources in the area and makes that tax resource available only to a limited number of people--less than 600 I believe--to the exclusion of all other people in the Bay area. They even excluded from the area the Village of Levelock which is only a few miles north of the boundary line. Carl Nunn of Dillingham, when he was in Juneau a few months ago, was protesting the proposed borough and then when the hearing was held in Dillingham he apparently appeared on behalf of the Chamber of Commerce and objected to the establishment of the borough, but I notice from the findings of fact report of the Local Affairs Agency that his testimony was disregarded and the protest of that community passed over very lightly. When I was in Dillingham with the Task Force, Mr. Nunn again questioned me about the proposed borough, and when I asked him if he had received a copy of the Local Affairs Agency's report and recommendation to the Boundary Commission, he said he had not. In fact he expressed great surprise to learn that the report had already been made to approve the borough. Just yesterday I asked Mr. Pegues if it were true that the attached report was not sent to Dillingham, and he confirmed the fact, but stated that he would mail them a copy right away.

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I know the Local Affairs Agency is very anxious to establish a borough and I, too, am anxious to get a start in establishing them throughout the State, but I just can't help but feel that this will get us off to a poor start. It is bound to be met with great resistance in the Bristol Bay area, and in my opinion it is fundamentally wrong to allow this relatively small area to grab this rich tax resource and set up a borough government which will be financed entirely by the tax revenue from the raw fish packed by the canneries at Naknek. Local people will not be required to contribute in any way to a local government, and when the other areas in Bristol Bay start looking for some sort of a tax base to establish local government, they are going to find that this relatively small area has taken all of the rich tax resource for the benefit of a relatively few people.

I am required under Chapter 146 of SLA 1961 to order an election to be held in the area of the proposed borough, and according to this law I have 30 days to call the election and it must be held within 90 days after the date I issue the order of election. The notice was received in my office on June 18, and it would appear, therefore, that the election would have to be held sometime before the 18th of October. It is my understanding that the Local Affairs Agency is urging that the election be held early in September. Personally, I am disposed to take the full time allowed me under the law for fixing the date of the election, because I think that the people in that area should be given all time possible to take whatever action they may now take at this late date to enjoin creation of this borough.

It is difficult for me to conceive of a borough established in the Bristol Bay area that did not include the community of Dillingham and the other villages in that area that are now excluded from this proposed borough.

HJW/w